NEWSPAPER ADVERTISEMENT.

MPRVVN

Madhya Pradesh Rajya Van Vikas Nigam Limited

Registered Office: Panchanan, 5th Floor, Malviya Nagar, Bhopal- 462003 (M.P.)
Phone: 0755-2674204 Website: www.mpsfdc.com, E-mail: mdrvvn@mp.gov.in

Expression of Interest for Internal Audit F.Y. 2017-18

Nigam intends to avail the services from Practicing Firm of Chartered Accountants / Cost & Management Accountants for Internal Audit for F.Y. 2017-18 for its Head Office & various Project Divisions.

The details regarding Terms of Reference etc. can be seen on our website: **www.mpsfdc.com**. Duly completed forms should reach H.O. on or before 10.08.2017 up-to 3:00 pm in sealed envelope mentioning **"Expression of Interest for Internal Audit for the F.Y. 2017-18"**.

Madhyam/-----

Managing Director

MPRVVN
CIN: U02001MP1975SGC001341

MADHYA PRADESH RAJYA VAN VIKAS NIGAM LIMITED

REGISTERED OFFICE: Panchanan, 5th Floor, Malviya Nagar, Bhopal – 462003 (M.P.)

Phone : 0755-2674204, 2551821, Fax : 0755-2551757
Website : www.mpsfdc.com, E-mail: mdrvvn@mp.gov.in

No.VVN./MD/IA/2017/2495 Dated : 27.07.2017

Expression of Interest

For conduct of Internal Audit at Madhya Pradesh Rajya Van Vikas Nigam Ltd.

Madhya Pradesh Rajya Van Vikas Nigam Ltd. (MPRVVN) intends to avail services for internal audit of its various Project Divisions and Head Office for F.Y. 2017-18 from practicing firms of Chartered Accountants and Cost Accountants. Internal Audit shall be conducted at various locations, the details of which are attached in **Enclosure-1** as under:

1. **Bhopal Region** consisting of Vidisha Raisen Division, Bhopal, Sehore Division, Sehore, Khandwa Division, Khandwa & Head Office, Bhopal.
2. **Seoni Region** consisting of Barghat Division, Seoni, Lamta Division, Balaghat, Rampur Bhatodi Division, Betul & Chhindwara Division, Chhindwara.
3. **Jabalpur Region** consisting of Mohgaon Division, Mandla, Kundam Division, Jabalpur, Rewa-Sidhi Division, Sidhi & Umaria Division, Umaria.

The Internal Audit of all the referred Divisions and Head Office shall be assigned to a single CA or CMA firm for the F.Y. 2017-18

Essential Qualifications:

1. The Chartered Accountant (CA) firm or Cost Accountant (CMA) firm must have a minimum of 1 (One) Fellow Chartered Accountant or Fellow Cost Accountant respectively, as a partner.
2. The firm must have at least 3 partners and a total strength of 10 qualified persons (Partners + Assistants).
3. The firm should have served as internal auditors for 3 (Three) years during the past 5 (Five) years with Government or Public Sector Undertaking.
4. The CA or CMA firm must be in operation for at least 10 years, with at least 1 (One) office of operation located in Bhopal duly registered with ICAI/ Institute of Cost Accountants of India and at least 1 (one) partner must sit regularly in such Office.
5. The CA or CMA firm should have conducted the Internal Audit of Companies having a turnover of ₹5 crores or more in the past three years.
6. The Firm's average annual turnover must not be less than ₹30 lacs in the last three financial years.
7. There should be no legal suit/ criminal case pending or contemplated against the CA or CMA firm on the grounds of moral turpitude or for violation of any of the law in force.
8. Submission of false, fabricated, untrue data & documents shall be treated as disqualification.

Duly completed Profile Form along with a non-refundable bank draft of ₹1,000/- (One Thousand Only), in the name of **Madhya Pradesh Rajya Van Vikas Nigam Ltd.** payable at **Bhopal** should reach the above mentioned address on or before 3:00 PM of 10th August, 2017 in a sealed envelope mentioning **"Expression of Interest for Internal Audit for the F.Y. 2017-18"**.

The selected Firm will be required to deposit an earnest money of ₹25,000 (Twenty Five Thousand Only) in the form of bank draft or cheque in favour of **Madhya Pradesh Rajya Van Vikas Nigam Ltd.** payable at **Bhopal,** which shall be refunded along with the final payment which will be released after the approval of accounts by the Statutory Auditor.

MPRVVN reserves the right to negotiate or accept or reject any or all of the applications, including the lowest, without assigning any reason thereof and without incurring any liability thereby.

27.7.17
Managing Director

Profile Form

of the Chartered Accountant or Cost Accountant Firm and details of Bidding amount

1. Name of the firm M/s
2. Registered Office
3. Branch Office(s)
4. Name of the Partner(s) (A)
(B)
(C)
5. (i) Fellow Number/ Associate No.
   (ii) Certificate of Practice Number/ Valid up to
   (iii) Year of Enrolment
   (iv) Practicing since (Year)
   (v) Number of Apprentice working
   (vi) Number of paid staff engaged in Audit work

6. Details of Work done in past 10 years
   As Internal Audit
   As Statutory Audit

7. Permanent Account Number (PAN) of the firm.

8. GST Registration Number of the firm or Partner of the firm.

9. (i) Whether firm has acted as an Internal Auditor or Statutory Auditor of the Nigam in Past – Yes / No.
   (ii) If Yes – Mention the year.
   (iii) Whether the firm or partner of the firm has ever worked as a Statutory Auditor of the Nigam in past – Yes / No
   (iv) If yes – the year in which has acted as an Statutory Auditor

10. Fees quoted – (Note: Total consolidated fees should be quoted excluding GST or any other applicable tax).

    Fees quoted must be all inclusive (i.e. including TA/DA etc.). Nigam will not make any arrangement for stay, meals and conveyance at Division Offices or Head Office.

11. Details of payment of ₹1,000/- (One Thousand Only) through Demand Draft No…………….. Dated…………… Bank Name…………………………………… in favour of "Madhya Pradesh Rajya Van Vikas Nigam Limited" payable at Bhopal.

(Signature of the Partner of the firm)
Seal

The meaning of the various terms used herein are elaborated below:-

1. **Nigam/ MPRVVN** – Nigam/ MPRVVN mean Madhya Pradesh Rajya Van Vikas Nigam Ltd., a company registered under Companies Act, 2013, having registered office at Bhopal.

2. **Division** – Division means Project Division unit of the Nigam, a headquarter where the Books of accounts are available.

3. **Managing Director** – Managing Director means Principal Officer of the Company who is vested with all administrative powers.

4. **Books of Accounts** – Books of accounts means all statutory books of accounts, documents, papers, files etc. related to & including memorandum books – registers, ledgers & subsidiary ledgers.

5. **Accounting year** – Accounting year means a period of 12 months from 1st April to 31st March

6. **Report** – Means Internal Audit Report.

7. **Internal Audit** – Means Internal Audit as defined under Companies Act and by the Institute of Chartered Accountants of India.

8. **CA/ Chartered Accountant** – Means a registered member of the Institute of Chartered Accountants of India.

9. **CMA/ Cost Accountant** – Means a registered member of the Institute of Cost Accountants of India.

10. **Firms of Chartered Accountant** – Means a Firm of Practising Chartered Accountants registered with Institute of Chartered Accountants of India.

11. **Firms of Cost Accountant** – Means a Firm of Practising Cost Accountants registered with Institute of Cost Accountants of India.

12. **Forestry year** – Means a period of 12 months from October to September.

13. **Fee** – Compensation for work done as determined through Quotation/Negotiation.

14. **Negotiation** – Managing Director of the Nigam will be the competent authority to negotiate with Firm(s) of Chartered Accountants or Cost Accountants.

15. **DM** – Divisional Manager.

16. **RCGM** – Regional Chief General Manager.

Terms of Reference

The selected Firm of Chartered Accountants or Cost Accountants will be required to conduct Internal Audit for the Financial Year 2017-18 and carry out the jobs specified as under:-

1. Examine the accounting system and give views regarding deficiencies along with suggestions for remedial measures.
2. Checking of receipts and expenditure.
3. Drawing up of periodical trial balance.
4. Half-yearly scrutiny of accounts.
5. Check whether regular reconciliation of bank accounts of the company with respective banks is done and report deficiencies, if any.
6. Check whether regular updating and reconciliation of control accounts and subsidiary accounts is done. Report discrepancies if any.
7. Examine whether the accounts are maintained and finalized in conformity with the accounting policies of the Nigam. Report deviations.
8. Indicate whether the property and fixed assets register are properly maintained, updated and reconciled with financial books. Report discrepancies.
9. Examine whether the cash/ bank book is being maintained and updated daily and verified by competent authorities, as per the guidelines issued by Head Office. Additionally, the auditor is also required to check whether all issued money receipts are incorporated in the bank/ cash book & bank draft register. In case realization of money is delayed, report the same to the Head Office.
10. Check whether annual plan of operation (APO) has been prepared & maintained properly. Reconcile both physical and financial data with budget provisions. Report cases of deficiencies. If the expenditure incurred is in excess of the budget provisions, report in terms of physical targets and respective achievements.
11. Regarding the investments made by the company, examine whether there is any discrepancy, if any. Report the same along with suggestions for better/ alternative investment options.
12. Report on purchase procedure, maintenance of store records/ accounts along with deficiencies, if any. Conduct physical verification and reconcile balances with respective heads in books of accounts.
13. In case of personnel-related matters, examine the release of annual increment to the employees. Check their personal files along with leave records to ensure proper maintenance and incorporation of the orders passed by competent authority. Report non-compliances.
14. Examine the preparation of salary and wage bills, deductions made and their remittance. Review filing of employees' Provident Fund returns, deduction of statutory dues and their remittance as per applicable rules. Report discrepancies, if any.
15. Examine the recording, procurement and disposal of stores and stock. Report discrepancies.
16. Conduct reconciliation of inter-divisional transfers. Transfers include movable assets, stores, advances to staff, felled material and planting stock.
17. Check whether the Company has a system of monitoring of timely recovery of outstanding dues. If not, highlight significant instances.
18. The Headquarter has issued orders regarding timely recording of revenue (sale) along with proper maintenance of records at divisional headquarter, depots, and coupes which must be kept in mind while conducting audit of revenue.

19. Examine the earnest money deposit register in the light of instructions issued and ensure that the minimum required earnest money (25% of the bidding amount of the lot - OR 10% of the lot and remaining 15% within 7 days of the date of completion of auction) is deposited at the Divisional Office in time. Report each instance of non-compliance.
20. Examine whether remaining balance of sale price is deposited within the prescribed time as per sale conditions. Sanctions issued by Divisional Manager should be examined in the light of powers delegated to DM/ RCGM, and deviations, if any, should be reported.
21. Examine collection and remittance of taxes at prevailing rates within the prescribed time. Verify filing of returns and assessment of respective taxes. Report non-compliance, if any.
22. Check whether Work order is issued only after realization of the bid price of the lot and taxes thereon. No money from the bidder/ purchaser is to be accepted in cash after payment of earnest money deposit on the day of auction. Report instances of cash receipts after auction dates.
23. Regarding the maintenance of work order register, the auditor must ensure that the work orders issued are recorded in the Work Order Register as per the numbers given on sale bill-cum-work order.
24. Sales are to be recorded for Crop-I i.e. the material felled from the plantation transferred by the Forest Department at the time of transfer of areas and Crop-II i.e. the plantation raised by the Nigam. Forfeiture of EMD, if any, shall be shown separately.
25. Scrutinize the debtor's account and reconcile with main Journal ledger account to ensure that the list of debtors tallies with the other relevant books of accounts. Report, if there is any discrepancy.
26. At least two auctions of material are to be examined from acceptance of bid to the final realization of money from parties. This has to be done in every phase of audit period. The auditor must ensure that the quantitative details of disposal of forest produce dispatched as per depot register matches with the figures shown in Work Order register. Report discrepancies.
27. The auditor must check and attach bank reconciliation statements of all the bank accounts of the unit being audited. Report delayed collections. Balances at the end should be probed and audited to ensure that there are no items lying un-reconciled for unusually long period.
28. Haulage of material – The auditor must ensure that the material felled is as per the marking records. The estimated production must be compared with actual production and variance, if any, be reported. Haulage of material from coupe to the depots must be examined in the light of agreements entered into between contractors. Report any mistake found.
29. **Verification of Timber Account**- Check the Timber Account of Crop-I and Crop-II with respect to opening balances, receipts as per Felling Register, transport to depots as per the Haulage Register and final disposal as per the Sales/ Work-Order Register. Ensure balances in coupes and depots at year end are as per physical verification reports. Ensure Coupe reconciliation statements are prepared and depot receipts are recorded according to Coupe completion reports. Report discrepancies.
30. Ensure that there is timely collection of Ground Rent, Transit Pass charges etc. in the depot and report cases of discrepancies.
31. Examine the lot control register and other registers and see whether they are maintained at depot for recording of material received, disposal and balance material left.

32. The Nigam undertakes work of Deposit Work Plantation through its various Divisions. The Internal Auditor has to see whether the works have been done and expenditure incurred is as per the contract with the concerned party. The auditor should ensure that the demand bills have been prepared as per the contract and that the due amount has been received. He should ensure that the receipts and TDS matches with Form 26AS. All cases of discrepancies are to be reported in the Internal Audit Report.

33. Whether expenditure has been correctly appropriated between capital expenditure and revenue expenditure. Verify with reference to the nature and size of the transaction.
34. Ensure whether cash and imprest money have been utilized for the desired purpose. Check whether periodical physical verification of money has been done or not and report deficiencies, if any.
35. Report whether advances made to the contractors/ parties are monitored regularly and adjusted as per the terms of Contract/ Agreement.
36. Examine the expenditure in the light of authenticity, nature, utility and budget provisions and report significant instances of deviation.
37. Verify proper maintenance of Journal used to record transactions not routed through bank/ cash book.
38. Verify proper collection and remittance of statutory dues such as Income Tax deducted at source, VAT, GST, Van Vikas Upkar, Provident Fund, Service Tax, Work Tax, Mandi Tax, Entry tax, Professional tax and all other applicable taxes. Check for timely filing of returns with respective authorities. Report cases of non-compliance.
39. Verify expenditure incurred on running and maintenance of tractors and trucks and their performance reports as per the delegation of powers. Report findings.
40. Examine expenditure incurred with reference to CSR activities undertaken by Nigam for the Financial Year 2017-18 and other matters related to it. Report findings.
41. Any other matter that is required to be looked into under Companies Act, 2013 & Rules made there under.

Scope of the audit will also include any directions given by the Management from time to time for effective conduct of internal audit in the light of Accounts Manual, Audit Manuals, 'Red Book' issued by the Management and generally accepted Audit Procedures and Accounting Standards approved by the Institute of Chartered Accountants of India.

Terms and Conditions

1. Audit will be done under the supervision of a Fellow Member of Institute of Chartered Accountants of India/ Institute of Cost Accountant of India.
2. Internal Audit has to be conducted as per the guidelines issued by the Institute of Chartered Accountants of India under Companies Act, 2013 and directions issued by Nigam from time to time regarding maintenance of books of accounts and audit.
3. The firm will not assign or transfer the work to other firms etc. If done, it will be considered as violation of engagement terms.
4. The Firm selected to conduct Internal Audit will have to deposit an amount of ₹25,000 (Twenty Five Thousand Only) as Earnest Money through bank Draft or cheque in favour of Madhya Pradesh Rajya Van Vikas Nigam Ltd. payable at Bhopal. The said amount will only be returned at the end of the engagement after approval of accounts by the Statutory Auditor, subject to Point No. 7 & 8 mentioned below.
5. Period of Internal Audit will be from 1st April, 2017 to 31st March, 2018.
6. The audit will be conducted on half yearly basis i.e. from April to Sept. & from Oct. to March.
7. The selected Firm will have to start audit within 15 days from the end of referred half year, i.e.,

   for 1st half year ended 30th Sept., 2017- before 16th Oct, 2017

   for 2nd half year ended 31st March, 2018- before 16th April, 2018

   Failing to adhere to the above mentioned deadlines will amount to forfeiture of full or part of earnest money of ₹25,000 (Twenty Five Thousand Only).
8. Reporting for the period from April to Sept. shall be done by 30th November, 2017. For the period from Oct. to March, reporting shall be done by 15th June, 2018 along with the final consolidated full year's Report. The time limit for reporting on checking of Final Timber Account for the year ending on 31st march, 2018 as mentioned in Item No. 29 will be 31st July, 2018

   Failing to adhere to the above mentioned timeline will amount to forfeiture of full or part of earnest money of ₹25,000 (Twenty Five Thousand Only).
9. The Internal Auditor is required to adhere to the time schedule mentioned in Point No. 7 and 8. In case any extension in time limit is desired, the same should be asked for in writing, citing reasons for extension. The period of extension, if granted, would be given in writing to the internal auditor.
10. The Firm will have to carry out the assignment in accordance with the highest standard of professional and ethical competence and integrity having regard to the nature of work assigned and ensure that the staff assigned to perform the services will conduct themselves in the manner consistent herewith.
11. The payment of the work undertaken by the firm(s) shall be done in 4 installments i.e.
    a) 40% of the approved fees will be paid upon submission of first half yearly Internal audit report.
    b) 40% of the approved fees will be paid upon submission of second half yearly Internal audit report.
    c) 10% of the approved fees will be paid upon submission of Report on Timber Account for the year ending on 31st March, 2018.
    d) 10% of the approved fees will be paid after the approval of accounts by the Statutory Auditor.

9\. Nigam will not pay any TA/ DA, boarding or lodging expenses. All such expenses shall be borne by the concerned internal audit firm for successful completion of the audit.

10. Income Tax at source will be deducted from the bills raised and TDS Certificates will be issued accordingly.
11. No advance towards fees etc. shall be paid/ sanctioned at any stage of the audit.
12. The internal audit firm must ensure that all the knowledge and information not within the public domain which may be acquired during the carrying out of his duties, shall be, for all time and for all purpose, regarded as strictly confidential and held in confidence, and shall not be directly or indirectly disclosed to any person whatsoever, except with the written permission of the Nigam.
13. In case of any dispute the jurisdiction will be Bhopal Court.

Kindly sign the duplicate copy of this letter as token of acceptance.

Enclosure-1: Address and contact details of Divisions/ Head Office

S. No.	Project Division/ Head Office	Address	Phone & Fax No. with STD Code	E-mail ID
1	**Chhindwada**	Khajri Road, Near Working Plan Office, Chhindwada	07612-243271	dmvvnchw@yahoo.com
2	**Barghat**	Nagpur Jabalpur road, Near Jyrat Naka, Seoni	07692-220240	dmbpros@rediffmail.com
3	**Lamta**	Opposite Banganga Circuit Office, Balaghat	07632-240772	dmlamta_bgt@rediffmail.com
4	**Mohgaon**	Opposite South Mandla Forest Dvn., Civil Lines, Mandla	07642-251287	dmmdl@rediffmail.com
5	**Rampur Bhatodi**	Sadar Bazar, Itarsi Road, Betul	07141-238417	dm_rbpbetul@yahoo.co.in
6	**Kundam**	451, Sanjeevani Nagar, Gada, Jabalpur	0761-2420362	dmkundam@rediffmail.com
7	**Umaria**	PO Umaria, Dist. Umaria	07653-222218	dmmprvvnumr@gmail.com
8	**Sidhi**	DFO Campus, Kotwali Road, Sidhi	07822-252299	mpr_vvnsidhi@yahoo.com
9	**Vidisha**	HIG-1/476, Arvind Vihar, Baagmugalia, Bhopal	0755-2802307	mpvvnvidisha@rediffmail.com
10	**Khandwa**	35 Keshavkunj, Siddhipuram Colony, Bhandariya Road, Khandwa	0733-2225025	mprvvnkhandwa6@gmail.com
11	**Sehore**	Jungle Ahata, Indore Naka, Sehore	07562-226345	mprvvnspd@yahoo.in
12	**Head Office**	5th Floor, Panchanan Bhawan, Malviya Nagar, Bhopal	0755-2551821	mprvvn@bsnl.in, mprvvn@rediffmail.com mdrvvn@mp.gov.in